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UNITED STATES DEPARTMENT OF COMMERCE Patent and Trademark Office Trademark Trial and Appeal Board 2900 Crystal Drive Arlington, Virginia 22202-3513

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PAT. & T.M. OFFICE

Opposition No. 103,889

Misczellaneous, Inc.

v.

Heart & Hand Productions, L.C.

Before Hairston, Walters and Wendel, Administrative Trademark Judges.

By the Board:

Opposer has filed a notice of opposition to the registration sought by applicant for the mark



for "educational services, namely, conducting seminars in the field of quilt making, and, production of television programs regarding quilt making". 1 Opposer alleges use

 $<sup>^{1}</sup>$  S.N. 74/639,842, filed February 24, 1995, claiming a first use date of October 29, 1994 and a first use in commerce date of January 3, 1995. The term "Quilts" has been disclaimed. Applicant filed a second application, S.N. 74/692,351, on June 22, 1995, for SEW MANY QUILTS for "prerecorded video tapes and CD-ROMs in the field of quilting" and "magazines, periodicals, leaflets, books, and pamphlets in the field of quilting". Examination of this application has been suspended pending the disposition of opposer's application S.N. 74/662,452.

since at least as early as 1986 of SEW MANY QUILTS as a trade name and as a service mark for its retail and educational services in connection with quilt making materials; its filing of an application for the mark for use in connection with "fabric piece goods and patterns and books of instruction using textiles"; the potential refusal of its application under Section 2(d) in view of applicant's earlier filed application; and the damage that opposer would incur with the registration of applicant's mark which is confusingly similar to opposer's mark.

In its answer, applicant denied the salient allegations of the notice of opposition.

Opposer has filed a motion for summary judgment on the pleaded grounds of priority and likelihood of confusion.

Opposer maintains that its priority is undisputed, and in support thereof, has submitted portions of the discovery deposition of Zella H. White, the co-owner of opposer, wherein Ms. White describes the opening of the first Sew Many Quilts store directed to the quilting business in Tyler, Texas in 1986; the closing of that store and the

<sup>&</sup>lt;sup>2</sup> S. N. 74/662,452, filed April 18, 1995, claiming first use dates of August 15, 1986. The identification of goods has since be amended to read: Fabric pieces for the manufacture of quilts sold separately and as a kit unit with patterns and instruction books. The term "Quilts" has been disclaimed.

<sup>&</sup>lt;sup>3</sup> The Board has specifically held that the Federal Dilution Act did not create a statutory basis for opposition on the basis of

transfer of the Sew Many Quilts name to opposer's store in Sulphur Springs, Texas, which also sold quilting supplies, on December 1, 1990; and the moving of the store to a location on the interstate in Sulphur Springs in 1996. Ms. White attests to the teaching of quilting classes by opposer in the Tyler store as early as October 1986 and introduces an announcement of a class co-sponsored by Sew Many Quilts in Sulphur Springs on November 20, 1993 (Exhibit 11).

To support its contention of the likelihood of confusion, opposer introduces, inter alia, portions of the White deposition directed to the nature of opposer's goods and services including descriptions of the "Quilter's Quarters" (packages of pieces of fabric for use in making quilts) which are specifically sold under the SEW MANY QUILTS label; the general use of SEW MANY QUILTS on price tags for goods sold in the retail store; the sending out of a newsletter to customers on its mailing list (who number around 800); the sale of quilting kits by mail order (although not in a large number); the advertising of its store in local newspapers and on local radio stations, with expenditures of \$4000 to \$5000 annually; the underwriting of a PBS television quilting series sometime between 1989 and 1991; the participation in quilting shows in Dallas from 1987 or 1988 until 1991 or 1992 and in Fort Worth in 1991

dilution. Thus no consideration will be given to the allegations of dilution set forth in paragraph 8 of the notice.

and a few other years, using the name SEW MANY QUILTS after 1990; and the instances in which opposer has received telephone calls (in the range of 12-20) related to subscriptions to the magazine which is offered by applicant under its SEW MANY QUILTS mark or has been queried by store customers as to its publication of the magazine.

Thus, opposer argues that the identity of the word portions of the marks of the two parties results in a similar commercial impression for the marks; that the services of applicant encompass services previously offered by opposer and are closely related to goods sold by opposer; that the goods and services travel through the same trade channels and the same consumers may be exposed to both; that both parties' goods and services are sold to ordinary purchasers; that whether or not opposer's mark is weak should not be determinative, in view of the identity of the marks and the close relationship of the involved goods and services; and that the fact that actual confusion has occurred must be considered as strong proof of the likelihood of confusion.

Applicant, in response, argues that genuine issues remain as to a number of key facts with respect to the issue of likelihood of confusion and thus the case should go to trial. Insofar as priority is concerned, applicant sets forth its first date of use as October 29, 1994, and makes

no argument that opposer should be denied its earlier use dates. Thus, for purposes of this motion, we find that priority has been conceded by applicant.

The thrust of applicant's arguments is that there is no likelihood of confusion or overlap of the two parties, since opposer's use is limited to a single store in a small town in Texas with most customers coming from Texas, whereas applicant's use of its mark is for a television program with nationwide coverage and a magazine with broad circulation, which have "skyrocketed" applicant to fame. Applicant notes that since making its debut in late 1994, applicant's television show featuring Marianne Fons and Liz Porter is now aired in 24 of the 25 top television markets, although the program is not readily available in Sulphur Springs, Texas, and that Fons and Porter appear in seminars around the country, especially in connection with quilting shows, and have become famous in the quilting world as "Fons & Porter".

Thus, applicant argues that even though the marks are similar, this is not sufficient for a finding of the likelihood of confusion on summary judgment, particularly when the differences in the services and the marketing approaches of the two parties remain in dispute. Moreover, it is applicant's contention that even the marks are distinguishable, since applicant always uses the tag line

"Fons & Porter" in conjunction with its mark for its television show and magazine.

With regard to the services and goods of the parties, applicant argues that opposer's use of its mark for fabric pieces is restricted to the two products upon which opposer uses SEW MANY QUILTS as a brand name; that its classes are offered around a table in the back of the store; that its instructions consist of photocopied sheets distributed as a favor to customers; and that it offers no patterns or instruction books under its mark. On the other hand, applicant, according to the declaration of Elizabeth Porter, uses nation-wide television to promote its magazines and publications and while fabrics are offered, they are not sold under the SEW MANY QUILTS mark. Applicant thus argues that the areas of use of the respective marks do not intersect and that the trade channels are entirely different. Applicant further argues that quilters are serious hobbyists and thus would be discriminating purchasers not likely to confuse the two sources.

Applicant also maintains that opposer's mark is a weak one and thus entitled to a narrow scope of protection, both as the result of third-party use of the term "sew" as a play on "so" in connection with goods and services in the sewing field and by the operation of at least 3 other stores in the country under the identical name, Sew Many Quilts.

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Applicant introduces a trademark search and documents produced during discovery to support its position. Insofar as actual confusion is concerned, applicant challenges the evidence presented by opposer, contending that the statements of Ms. White are inadmissible hearsay and pointing out that opposer has failed to come forward with the name of a single confused customer. Even if the evidence is considered, applicant contends that the instances of confusion are de minimis.

Finally, applicant argues that the entry of summary judgment should be precluded on the basis of laches, pointing to admissions by opposer that it learned of applicant's use of its mark in November 1994, yet took no action until this opposition. Applicant on the other hand, according to discovery responses made of record, first learned of opposer at a quilt show in Texas in October 1995, well after its first use of the mark.

Opposer has filed a reply, which has been given due consideration in our resolution of this motion. See Zirco Corp. v. American Telephone and Telegraph Co. 21 USPQ2d 1542 (TTAB 1991).

<sup>&</sup>lt;sup>4</sup> Opposer's request therein to amend its notice of opposition to assert the additional ground that applicant has not used in commerce the mark for which registration is sought has been given no consideration, in view of the disposition of the motion for summary judgment.

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In a motion for summary judgment, the moving party has the burden of establishing the absence of any genuine issue of material fact and that it is entitled to judgment as a matter of law. FRCP 56(c). A genuine dispute with respect to a material fact exists if sufficient evidence is presented that a reasonable fact finder could decide the question in favor of the nonmoving party. See Opryland USA Inc. v. Great American Music Show Inc., 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992). Thus, all doubts as to whether any particular factual issues are genuinely in dispute must be resolved against the moving party and all inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the nonmoving party. See Olde Tyme Foods Inc. v. Roundy's Inc., 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992).

As a preliminary matter, we would deny any right on the part of applicant to raise the defense of laches. As set forth by our reviewing court in National Cable Television Association Inc. v. American Cinema Editors Inc., 937 F.2d 1572, 19 USPQ2d 1424, 1432 (Cir. 1991), laches with respect to protesting the registration of a mark cannot possibly begin to run until the mark has been published for opposition. Opposer in the present case timely filed its opposition and opposer's prior knowledge of applicant's use

of its mark, and its failure to object to this use, is irrelevant.

As previously stated, there is no issue with respect to priority of use. Opposer has established prior use of the trade name and mark SEW MANY QUILTS for its retail store and related goods and services. Accordingly, opposer is entitled to judgment as a matter of law on this issue.<sup>5</sup>

Turning to the issue of likelihood of confusion, we find that opposer has carried its burden of establishing that no genuine issues of material fact remain and that opposer is entitled to the entry of judgment as a matter of law on the basis of the record before us.

The word portions of the respective marks are identical. Applicant has introduced no evidence nor made any arguments that the design features of its mark are significant. Instead applicant contends that its use of the tag line "with Fons & Porter" serves to eliminate any likelihood of confusion. Such usage is immaterial, however, since in determining the right to registration, the likelihood of confusion must be decided on the basis of the mark sought to be registered. See Aries Systems Corp. v. World Book Inc., 23 USPQ2d 1742 (TTAB 1992); National

<sup>&</sup>lt;sup>5</sup> We find that opposer's standing in this proceeding has been adequately established by the evidence submitted in connection with its motion demonstrating its real commercial interest in the mark SEW MANY QUILTS. See Jewelers Vigilance Committee Inc. v. Ullenberg Corp., 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987).

Football League v. Jasper Alliance Corp., 16 USPQ2d 1212 (TTAB 1990). Here the applied-for mark consists solely of the words SEW MANY QUILTS and the accompanying design. As such, we find that the marks of the parties are identical in sound and in connotation, and create similar commercial impressions.

Turning to the goods and services offered by the parties, we find a definite overlap in the instructional services offered by both. Opposer may rely upon use of its mark not only in connection with the instruction books set forth in its pending application, but also the classes offered by, or sponsored by, its retail store operating under the name Sew Many Quilts well prior to applicant's use of its mark. See Malcolm Nicol & Co. v. Witco Corp., 881 F.2d 1063, 11 USPQ2d 1638 (Fed. Cir. 1989) (Prior use of an unregistered mark or as a trade name sufficient to preclude registration under Section 2(d)). Moreover, there is a close relationship between opposer's primary service, i.e., retail store services featuring the sale of fabric pieces for the making of quilts, and applicant's services of providing television programs and seminars featuring two experts in quilt-making, who even offer fabrics to the public, although bearing a different mark. In fact, although opposer is not presently appearing at quilt shows or having any involvement with television, the evidence

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shows that such activities fall well within the natural scope of opposer's retail services.

The channels of trade for the parties and the potential class of customers are the same, i.e., persons interested in quilt-making. It is immaterial that opposer may presently be limited to the operation of a single store in Texas.

Although the parties' customers may be "serious hobbyists" as claimed by applicant, they cannot be considered other than ordinary purchasers who will be confused by the use of substantially similar marks on identical or otherwise closely related goods and services.

Furthermore, the alleged weakness of opposer's mark does not raise a genuine issue of fact which would preclude the entry of summary judgment. Even weak marks are entitled to protection where confusion is likely. Here, applicant's mark is substantially similar to opposer's mark and the same suggestion is conveyed by each mark.

We find this to be a case in which applicant (the junior user) is attempting to register a substantially similar mark for identical and/or related services on the basis of its use of the mark in a broader market than that reached by opposer (the senior user). As such, it becomes a case of reverse confusion, i.e., a situation where a prominent newcomer saturates the market with a mark that is confusingly similar to that of a smaller senior user for

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related goods or services. See In re Shell Oil Co., 992

F.2d 1204, 26 USPQ2d 1687 (Fed. Cir. 1993). But, as pointed out in Shell Oil, the senior user is protected by the trademark law from the adverse commercial impact incurred by the use of a similar mark by a newcomer. While the junior user may not seek to benefit from the goodwill of the senior user, the senior user may experience diminution of its mark's identity and goodwill due to extensive use of a confusingly similar mark by the junior user. Supra at 1690.

That opposer has already experienced this diminution is demonstrated by the inquiries which Ms. White has described. Although applicant has challenged these statements of Ms. White as hearsay and inadmissible evidence of actual confusion, the descriptions by Ms. White of phone calls from persons requesting assistance with subscriptions for applicant's magazine and of inquiries from customers asking if the magazine <a href="Sew Many Quilts">Sew Many Quilts</a> is the store's magazine may be relied upon at the very least to show that inquiries have been received by opposer from persons with respect to applicant's magazine. Furthermore, although

<sup>&</sup>lt;sup>6</sup> Applicant's objections to the testimony of Ms. White as hearsay are not well taken. The testimony is not being relied upon for the truth of the third-party statements but rather for the fact that the inquiries were made to Ms. White. See West End Brewing Co. of Utica, N. Y. v. South Australia Brewing Co., Ltd., 2 USPQ2d 1306 (TTAB 1987); Finance Co. of America v. BankAmerica Corp, 205 USPQ 1016 (TTAB 1980). Whether or not opposer has presented admissible evidence of actual confusion, in view of its failure to present the testimony, or even the names, of the inquiring persons is immaterial.

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Accordingly, opposer's motion for summary judgment is granted. The opposition is sustained and registration is refused to applicant.

P. T. Hairston

C.E. Walter

C. E. Walters

H. R. Wendel

Administrative Trademark Judges, Trademark Trial and Appeal Board